

CITY OF LODI
INFORMAL INFORMATIONAL MEETING
"SHIRTSLEEVE" SESSION
CARNEGIE FORUM, 305 WEST PINE STREET
TUESDAY, NOVEMBER 21, 2006

An Informal Informational Meeting ("Shirtsleeve" Session) of the Lodi City Council was held Tuesday, November 21, 2006, commencing at 7:01 a.m.

A. ROLL CALL

Present: Council Members – Hansen, Johnson, Mounce, and Mayor Hitchcock
Absent: Council Members – Beckman
Also Present: Deputy City Manager Krueger, City Attorney Schwabauer, and Deputy City Clerk Perrin

B. TOPIC(S)

B-1 "State Legislation Briefing"

Debbie Olson, representative with the League of California Cities, provided a report on the 2006 State Legislative year and highlighted the following accomplishments as seen by the Legislature: approval of Propositions 1A through 1E, an on-time State budget, limits on greenhouse gas emissions, the State issued video franchising bill, and eight bills addressing reforms that were approved. A total of 13 measures were placed on the ballot with the following results: the six infrastructure measures—Propositions 1A through 1E and Proposition 84—passed; Proposition 83 regarding restrictions on sex offenders passed, but was enjoined by the courts; and the remaining six were defeated. In regard to the State budget, this was the last year for cities' contributions toward the State's fiscal problems; thereby, ending Lodi's \$700,000 property tax transfer to the State. There will be full funding for Proposition 42 for 2006-07, funding for State mandated claims and reimbursements including those previously owed to local government, and \$238 million for the COPS program.

In response to Council Member Hansen, Ms. Olson stated that Proposition 90 regarding limitation on government regulation of property and eminent domain failed by five points. Council Member Hansen stated that the State Legislature might be excited about the success of the video franchising bill (Assembly Bill 2987); however, cities are not, due to the added level of State bureaucracy and loss of local control. He believed many people did not understand this legislation, and Ms. Olson added that those entities in support of the bill spent a considerable amount of money campaigning in support of it, something cities and counties cannot do. She stated that the key word in the Legislature currently is "regionalism" and suggested this is a good time for cities to build relationships with its county, as well as the cities within, to advocate on a regional basis.

Ms. Olson reported that there is funding for local governments in virtually all of the bonds; however, it will be the responsibility of cities to follow through. This may be the last infrastructure money from the State for quite some time. She believed it would be worth dedicating staff members to focus on these bills, paying close attention to the deadlines, some of which are as early as January 15, 2007.

Ms. Olson highlighted the following bills: 1) greenhouse gas emissions; 2) solar energy; 3) capital utilities fees, which provides flexibility and a formula on how municipal utilities can capture costs from other entities; and 4) recycling requirements beginning 2008 that stipulate any store with over 10,000 feet of retail space and a pharmacy will provide recycling programs.

PUBLIC COMMENTS:

- Myrna Wetzel questioned if this included batteries, such as AA, AAA, or D, to which Ms. Olson replied this legislation addressed the recycling of plastic bags.

Ms. Olson continued: 5) alcoholic beverages and licenses, which provide additional reasons to revoke or suspend a liquor license; 6) emergency services and liability, which allows for a fee to be assessed to those who falsely call for emergency services; and 7) animal control services regarding tethering of dogs and abuse.

Over 5,500 bills were introduced by the State Legislature, of which 900 bills were signed. Ms. Olson stated she would provide the City Council with an electronic version of all of the bills signed into law. She predicted that next year will see bills on eminent domain, redevelopment, and health care.

Council Member Hansen questioned whether the City should dedicate staff in-house or hire a part-time employee to stay on top of the bills, funding, and deadlines. Mr. Krueger responded that he believed this could be handled with current staffing levels and that budget staff could be dedicated toward this effort. If it was determined that additional staffing was required, staff would return to Council with an appropriate request.

Mayor Pro Tempore Johnson suggested that some of these bills are on a more regional basis, rather than local. Ms. Olson stated that it is both, and she suggested the City apply pressure on the County to ensure it too is aware of the deadlines so that no opportunity to receive funding is overlooked.

Council Member Hansen stated that Proposition 1B provides money for local entities and pointed to the future improvement of Lower Sacramento Road to Armstrong Road and eventually to Stockton, which is a regional project that the County is also in favor of. Further discussion ensued between Council Member Hansen and Mayor Pro Tempore Johnson regarding this project and the future potential traffic problems Lodi may be facing.

Ms. Olson reiterated that State money for infrastructure may be drying up and Federal funds may be the only option. She encouraged the City to solidify its relationships with its State and local representatives in order to keep advocacy in the forefront.

B-2 "Presentation on the San Joaquin Regional Rail Commission (SJRR) Service Expansion Analysis Given by Brian Schmidt, SJRR Project Manager"

With the aid of a PowerPoint presentation (filed), Brian Schmidt, San Joaquin Regional Rail Commission (SJRR) Project Manager, reported that on September 7, 2006, SJRR approved a contract with consultants to review a number of the corridors in the San Joaquin Valley. He reviewed the map of the corridors being studied and stated that there are two alignments: the Union Pacific (UP) and the Burlington Northern Santa Fe lines. These two lines do not presently connect, which represents a major challenge in this study. The objectives in developing an action plan include:

- Corridor ranking criteria – ridership potential, institutional issues, mobility improvements, and cost benefit analysis (i.e. capital costs, operating costs, farebox recovery).
- Access to rail lines – review of various operating models to establish best practice elements and develop an access strategy for expansion of lines.
- Service levels – levels of service for each of the corridors depends on ridership, which has shown an increase due to the addition of a mid-day train.
- Upgrading and capacity analysis – contacts have been made with various rail agencies for train volume information and insight on capacity hot spots, as well as identifying likely future volumes for railroad. Mr. Schmidt pointed out the potential increase in volumes due to the bond measure on port security and stated that more capacity will be coming into the area from Oakland. Debbie Olson stated that the Legislature recognizes this increase in rail travel and the need for grade separation and there will be additional funding to address it. Mr. Schmidt reviewed the map on train volumes in the study area.
- Capital and operating costs – following establishment of service levels and refinement of routes, there will be a review of needed improvements (e.g. stations, track improvements, storage, maintenance facilities, etc.).

- Ridership analysis – obtaining work trip data, validating with the California Department of Transportation, evaluating what has been done on highway improvements, and looking at what is anticipated in future congestion on the highways. Mr. Schmidt reviewed the map on work trips in the study area and stated that the results were revealing as to where the major travel was occurring.
- Station locations – identified station stops for each line and visiting locations to identify specific sites.
- Freight and passenger train compatibility.

Mr. Schmidt reported that it is anticipated the final report would be presented to the SJRRC board in September 2007. Within the next month, letters will be sent to mayors along the corridor to participate on an advisory committee of elected officials to provide direction on the study effort.

PUBLIC COMMENTS:

- Phil Pennino stated that he has worked with SJRRC on this project over the last three years and that his goal is to see commuter rail go through downtown Lodi. He stated that it is almost impossible to design a connection between the two lines, and if freight is carried along the western UP line, it would move through downtown Sacramento, to which there would be much opposition. Mr. Pennino explained that there is a potential hybrid solution, which would keep freight on the eastern line in Sacramento with a connection built to the western line that would take freight past the cities of Elk Grove, Galt, and Lodi. This possibility exists due to the potential freeway improvements of Grant Line Road between Highway 99 and Interstate 5. Mr. Pennino stated that SJRRC is in support of this hybrid solution.

In response to Council Member Hansen, Mr. Schmidt stated that there is no danger in losing passenger rail as Amtrak is prohibited by Federal regulations to provide commuter service; although, Amtrak can provide inter-city service outside of the commute period.

Council Member Hansen questioned what the chances were of being successful with this hybrid solution, to which Mr. Schmidt replied that it would be a challenge; however, the positive benefits, such as removing freight travel through cities, running at higher speeds outside of cities, and getting commuter service through the valley, could aid in the success of this effort. Mr. Pennino added that UP does not listen to cities individually and he encouraged local, State, and Federal advocacy.

In response to Mayor Hitchcock, both Mr. Schmidt and Mr. Pennino stressed the importance of Lodi participating in the advisory committee, and Mr. Schmidt responded to Mr. Hatch that there would also be a technical committee consisting of staff to delve into the larger issues.

- Debbie Olson questioned how much longer the increased freight rail would affect the traffic congestion in downtown Lodi. Mr. Schmidt stated that, if a connection can be made north, it would remove the trains from downtown Lodi.
- Myrna Wetzel asked if light rail would be coming to Lodi, to which Mr. Schmidt stated that there have been no discussions about light rail coming into San Joaquin County.

C. COMMENTS BY THE PUBLIC ON NON-AGENDA ITEMS

None.

D. ADJOURNMENT

No action was taken by the City Council. The meeting was adjourned at 8:14 a.m.

ATTEST:

Jennifer M. Perrin, Deputy City Clerk



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: State Legislation Briefing


MEETING DATE: November 21, 2006

PREPARED BY: City Manager

RECOMMENDED ACTION: No action recommended.

BACKGROUND INFORMATION: League of California Cities area representative Debbie Olson will provide a report on the 2006 State legislative session. She will highlight legislation of interest to Lodi including the Digital Infrastructure & Video Competition Act of 2006 - AB 2987, the Global Warming Act of 2006 - AB 32, New environmental and housing legislation; and the new State bond programs.

FISCAL IMPACT: Not applicable



Blair King
City Manager

APPROVED: 

Blair King, City Manager

The 2006 Legislative Year

2006 was a year when many thought nothing would get done in the Legislature, particularly following the previous legislative session which was dominated by partisan gridlock and a contentious special election. Conventional wisdom was that California's patrician politics and positioning over the 2006 Governor's race would eclipse opportunities to make progress. Seems the pundits were wrong again.

Buoyed by rising state revenues to help close the budget gap, the Governor forged ahead with an ambitious infrastructure investment agenda and encouraged bi-partisan agreement on an array of issues. Legislative leadership on both sides of the isle seized the opportunity to pass major legislation. This resulted in the 2006 Session being one of the most productive in recent memory. In all, over 5,500 bills were introduced in the 2005-2006 Legislative session and approx.950 bills were signed into law.

As usual, there's good news and bad news in this year's batch of bills. The Legislature counts among it's accomplishments:

- **\$38 billion** state infrastructure investment package (Propositions 1A through 1E)
- An on-time state budget with minimal partisan wrangling
- Limits on greenhouse gas emissions, AB 32
- State issued video franchising, AB 2987
- And, in the aftermath of the *Kelo* decision on eminent domain, eight bills that address reforms were approved

As typical of California politics, many of the other major policy decisions waited for the voters to decide. A total of 13 ballot measures, with major policy impacts ranging from infrastructure funding to restrictions on sex offenders (Prop 83) were placed on the ballot, some by the Legislature, some by concerned citizens.

As you know:

- Six infrastructure measures passed: Propositions 1A through 1E, and Proposition 84;
- Restrictions on sex offenders (Proposition 83) passed, (but also as usual), was immediately enjoined by the courts;
- All other propositions were defeated.

State Budget: Another Bright Spot For Cities: In recent years, news for cities involving the state budget was usually negative, but in 2006, the post Proposition 1A (of 2004) trend of budget improvement for cities continued. Highlights include:

- End of two-year property tax transfers stemming from the Proposition 1A agreement. For cities, this means that they no longer had to transfer **\$350 million** from cities, and **\$250 million** from redevelopment agencies to offset state budget expenses.
- Full funding for Proposition 42 for 2006-07, at **\$1.42 billion**. The budget also included an additional **\$1.41 billion** repayment for funds borrowed in fiscal years 2003-04 and 2004-05.
- **\$232 million** in funding for state mandate claims and reimbursements, plus an additional **\$170 million** in payments to cover two-years of a fifteen year repayment plan for previous mandate claims owed to local government.
- **\$35 million** to cities to reimburse booking fees paid by cities to counties. This is part of a larger accord between counties, cities, sheriffs and police chiefs on this issue.
- **\$238 million** in COPS/Juvenile Justice Grants.

Conclusion: With the combined efforts of many city officials, the regional representatives program, and the League's lobbying strength, cities made significant progress and aggressively advocated on many fronts.

The 2006 Infrastructure Ballot Measures: Propositions 1A-E and Proposition 84

Building for California's Future

Achieving increased state funding for infrastructure has been a key goal of the League of California Cities in 2006. This year, California's population is projected to grow by 500,000 people, driving the state population to almost 37 million.

More than 80 percent of Californians live in cities, requiring the cities to respond with more housing, schools, improved transportation systems, upgraded sewers and drinking water systems, flood control, parks, libraries and other facilities.

These factors make it easy to see why increased funding for infrastructure is so crucial for California cities, and a top priority for the League. It's why the League worked hard this past year to encourage the Legislature and Gov. Schwarzenegger to place a package of infrastructure funding measures on the November ballot – and why we have urged cities to support all six infrastructure measures: Propositions 1A, 1B, 1C, 1D, 1E (placed on the ballot by the Legislature) and Proposition 84 (placed on the ballot through the initiative process).

Proposition 1A - Transportation Funding Protection. Legislative Constitutional Amendment. (Prop. 42 Reform)

This measure is a constitutional amendment designed to "fix" Proposition 42 – the 2002 ballot measures that funded transportation — by permanently dedicating the sales tax on gasoline to transportation purposes (with narrow exceptions).

Like the League-sponsored Prop. 1A of 2004, which protected local tax revenues from further state takeaways, this measure will restrict the Legislature's ability to borrow the Prop. 42 funds to the following:

- The Governor must declare that the state faces a severe fiscal hardship, and the Legislature must enact a statute authorizing the borrowing by a two-thirds vote. At the same time, the Legislature must pass a bill specifying that they will repay the loan with interest within three years.
- The state can borrow the funds no more than twice in 10 years, and must repay a prior loan before borrowing a subsequent time.
- Any Prop. 42 transportation funds that were borrowed by the state but not repaid as of July 1, 2007, must be repaid within a 10 year period (no later than June 30, 2016) with a payment of no less than one-tenth per year of the total amount owed.

The measure also authorizes the Legislature to provide for the issuance of bonds by state or local agencies in accordance with the established Prop. 42 allocation methodology.

Prop. 42 Funds: Prop. 1A and 1B are Integral to Stable Transportation Funding

While Prop. 1A secured much needed funding for local streets and roads, passage of Proposition 1B is also crucial to cities and counties hoping to receive continued transportation funding in FY 2007-08. That's because the next fiscal year is one of two Prop. 42 "gap" years for local agencies – years in which cities and counties are scheduled to receive no funds under the original Prop. 42 funding formula (found in Revenue & Taxation Code 7104), because local agencies received funding in years prior to the implementation of Prop. 42.

The FY 2007-08 gap in Prop. 42 funding will occur even with passage of Prop. 1A.

More on 'The Gap'

Cities and counties were relieved this year — the first of the two "gap" years — when Gov. Schwarzenegger and the Legislature agreed with local agencies that it was important to avoid interrupting local street and road maintenance and repair projects. The state agreed to devote a portion of the state's increased revenues to provide early repayment of previously diverted Prop. 42 funds (FY 2003-04 and 2004-05). This had the effect of "closing the funding gap" for this fiscal year.

While next year's state revenues may also be strong, passage of Prop. 1B will potentially answer the question of how to fund the second "gap" year. That's because the measure includes **\$1 billion** for cities and **\$1 billion** for counties to pay for transportation projects which local agencies designate as priorities. The measure further guarantees that distribution of these funds include a minimum of **\$400,000** to each city.

The League is advocating an allocation formula for Prop. 1B whereby cities will receive 40 percent, or **\$400 million**, of the cities' **\$1 billion** in FY 2007-08 to essentially "fill the (Prop. 42) gap." This should ensure that cities have access to consistent funding to carry out projects. Each year thereafter for the next four years, we are asking for 15 percent— again to keep cities funded at a consistent level for multiple years.

More Funding Through Prop. 42 in Future Years:

Passage of Prop. 1A will begin to ensure consistent funding for cities and counties beyond the FY 2007-08 "gap" year – and according to the original Prop. 42 funding formula, at higher levels than earlier years. Specifically, whereas cities are currently scheduled under Prop. 42 to receive an estimated **\$280 million** a year in FY 2008-09 (just over \$8 per capita).

If the League's proposed distribution formula is adopted, cities will receive an additional **\$150 million** per year in Prop 1B funds, over a four-year period.

Proposition 1B - Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006

Proposition 1B contains almost **\$20 billion** for various transportation projects that will help rebuild California. Of this amount, cities and counties will each receive **\$1 billion** for local streets and roads improvement projects. Improvements in California's ailing transportation system are integral for California's economic future.

Listed below are details on specific allocations and the project selection processes for those allocations. This information is intended to clarify which portions of bond funding a city may be eligible for. Also, it is important to note that some of these funding sources will likely require follow-up legislation to determine project selection and funding criteria.

- **\$2 billion** for the Local Street and Road Improvement, Congestion Relief, and Traffic Safety Account, allocated directly to cities and counties for traffic congestion relief, traffic safety, transit, storm damage, maintenance, construction and other projects to improve the local street and road system. **\$1 billion** will go directly to cities (minimum \$400,000 allocation), and **\$1 billion** will go directly to counties. Eligible projects include maintenance, rehabilitation and storm damage (identical to Prop. 42), but also include transit, congestion and safety projects.
- **\$4.5 billion** to the Corridor Mobility Improvement Account to fund performance improvements on highly congested travel corridors. Funds in the account, allocated by the California Transportation Commission (CTC), will be used for performance improvements on the state highway system, or major access routes to the state highway system on the local road system that relieve congestion by expanding capacity, enhancing operations, or otherwise improving travel times within these high-congestion travel corridors, as identified by the department and regional or local transportation agencies.

The CTC is in the process of developing and adopting guidelines, including regional programming targets, by the statutory deadline of December 1, 2006. Project nominations can be submitted by the Department of Transportation, regional transportation planning agencies (RTPAs) or county transportation commissions or authorities responsible for preparing a regional transportation improvement plan. All projects must be included in a regional transportation plan.

Project nominations must be made no later than January 15, 2007. All project nominations must include documentation regarding the quantitative and qualitative measures validating each project's consistency with the policy objectives developed by the CTC.

The CTC must adopt a funding plan by March 1, 2007, which may be updated every two years in conjunction with the adoption of the state transportation improvement program (STIP). The inclusion of a project in the program will be based on all of the following criteria:

- The project is a high-priority project to improve mobility in the corridor as demonstrated by either: 1) It's inclusion in the list of nominated projects by both the department and the regional transportation planning agency or county transportation commission or authority; and 2) If needed to fully fund the project, the identification and commitment of supplemental funding to the project from other state, local, or federal funds.
- Able to commence construction or implementation no later than December 31, 2012.
- Improves mobility in a high-congestion corridor by improving travel times or reducing the number of daily vehicle hours of delay, improves the connectivity of the state highway system between rural, suburban, and urban areas, or improves the operation or safety of a highway or road segment.
- Improves access to jobs, housing, markets, and commerce.

Current language will require the CTC to select projects with 60 percent dedicated to 13 southern counties (San Luis Obispo, Kern, Mono, Tulare, Inyo, Santa Barbara, Ventura, Los Angeles, San Bernardino, Orange, Riverside, San Diego and Imperial) and 40 percent to the remaining counties in the state.

- **\$1 billion** for improvements to State Route 99 traversing approximately 400 miles of the Central Valley.
- **\$3.1 billion** for the California Ports Infrastructure, Security, and Air Quality Improvement Act. Of the \$3.1 billion, \$2 billion is to fund improvements to trade corridors. These monies will be allocated by the CTC for infrastructure improvements along federally designated trade corridors. No funds can be allocated until the Secretary of Business, Transportation and Housing and the Secretary for Environmental Protection develop and submit a trade infrastructure and goods movement plan.

\$1 billion in this fund will go to the State Air Resources Board for emission reductions related to goods movement in trade corridors commencing at airports, seaports and land ports of entry.

Additionally, **\$100 million** will go to the Office of Emergency Services for publicly-owned port, harbor and ferry terminal security improvements. Projects eligible for funding include, but are not limited to: video

surveillance equipment; X-ray devices; cargo scanners; radiation monitors; protective equipment; chemical agent, weapons of mass destruction and overweight cargo detection devices; and, activities relative to emergency response planning.

- **\$200 million** for school bus retrofitting and replacement to reduce air pollution.
- **\$2 billion** for projects in the State Transportation Improvement Program (STIP). These funds are subject to current law and would require compliance with the north/south split formula and countywide shares, thus equitable distribution is ensured throughout the state.
- **\$4 billion** for the Public Transportation Modernization Improvement and Service Enhancement Account to fund intercity rail projects, commuter or urban rail operators, bus operators, water transit operators, and other transit operators for rehabilitation, improvement, or new capital projects.

Of this amount, **\$400 million** shall be appropriated to Caltrans for intercity rail, of which \$125 million shall be for intercity rail cars and locomotives. The remaining funds (\$3.6 billion) will be allocated equally pursuant to Public Utilities Code Sections 99314 and 99313, which distribute funds to all RTPAs based on population and transit fare recovery.

- **\$1 billion** for the State-Local Partnership Program Account for eligible transportation projects nominated by an applicant transportation agency. This program requires a dollar-for-dollar match of local funds. Criteria for allocation of these funds will be determined by the Legislature through follow-up legislation. The CTC will allocate these funds over a five-year period.
- **\$1 billion** for the Transit System Safety, Security and Disaster Response Account for projects that increase protection against security and safety and develop disaster response for public transit systems. Criteria for allocation of these funds will be determined by the Legislature through follow-up legislation.
- **\$125 million** for the Local Bridge Seismic Retrofit Account to provide the 11.5 percent required match for the federal Highway Bridge Replacement and Repair program for the seismic work on local bridges, ramps, and overpasses as determined by Caltrans. Thirty-nine cities have 97 bridges not yet retrofitted.
- **\$750 million** for the Highway Safety, Rehabilitation and Preservation Account (SHOPP) for safety, rehabilitation and preservation projects on state highway systems. These funds will be allocated by the CTC based

on current statute for state highway operation and protection programs in Section 14526.5 of the Streets and Highways Code.

\$250 million of the funds in this account must be used for traffic light synchronization projects or other technology-based projects to improve safety, operations and the effective capacity of local streets and roads.

- **\$250 million** for the Highway-Railroad Crossing Safety Account for completion of high-priority grade separation and railroad crossing safety improvements. These monies will be allocated to Caltrans for completion of high-priority grade separation improvements pursuant to Chapter 10 (section 2450) of the Streets and Highways Code. Funds in this account require a 1-to-1 match of non-state funds.

\$100 million in this account will be allocated by the CTC, in consultation with the Public Utilities Commission, outside of the current process in statute, but should focus on crossings in ozone non-attainment areas and crossings that delay access to emergency services.

Proposition 1C - Housing and Emergency Shelter Trust Fund Act of 2006

Prop. 1C contains **\$2.85 billion** in funding to address a range of housing needs, including **\$1.35 billion** to help cities address housing-related infrastructure issues, including:

- Infill Housing Construction - **\$850 million** in grants for development of public infrastructure projects that facilitate or support infill housing construction. Projects could include water, sewer and transportation improvements, traffic mitigation, brownfield clean up and up to an additional \$200 million for parks
- Urban, Suburban and Rural Parks - **\$200 million**
- Transit-Oriented Development - **\$300 million** to develop and construct housing and infrastructure projects within close proximity to transit stations

Cities also benefit from other funding contained in Prop. 1C:

- Affordable Home Ownership Programs - **\$725 million** to help over 23,600 families become or remain homeowners
- Affordable Housing Construction Programs - **\$345 million** for affordable rental housing for more than 4,000 families
- Housing for Farmworkers - **\$135 million** to build rental and home ownership opportunities to help farm workers
- Homeless Permanent Housing Construction - **\$245 million** to build permanent housing for the homeless, those transitioning out of homelessness and foster care youth
- Homeless Shelter Housing Construction - **\$50 million** to construct and expand homeless shelters of last resort and transitional housing for the homeless

Proposition 1D - Kindergarten - University Public Education Facilities Bond Act of 2006

This measure provides \$10.4 billion in bonds to be deposited into the 2006 State School Facilities fund, which will be used to meet capital outlay needs of higher educational facilities, and finance grants for construction and renovation of schools, including charter schools and facilities for career technical education programs, and to relieve overcrowded schools. *This also includes \$29 million to fund joint-use projects for construction of K-12 school facilities.*

The **\$10.4 billion** will be allocated as follows:

- **\$1.9 billion** for new construction of school facilities.
- **\$500 million** for providing school facilities to charter schools.
- **\$3.3 billion** for modernization of school facilities.
- **\$500 million** for facilities for career technical education programs.
- **\$1 billion** for new construction to fund severely overcrowded school sites.
- **\$1.5 billion** for CA Community Colleges.
- **\$890 million** for UC and Hastings College of Law.
- **\$690 million** for CSU.

Proposition 1E - Disaster Preparedness and Flood Prevention Bond Act of 2006

This bond provides a total of **\$4.09 billion** to prevent flooding by repairing levees and other flood control infrastructure in the Sacramento-San Joaquin River Delta and elsewhere. The funds will be allocated as follows:

- **\$3 billion** to evaluate, repair, rehabilitate, reconstruct or replace levees, weirs, bypasses and facilities contained in the state flood control plan; improve or add facilities to increase levels of flood prevention; and reduce the risk of levee failure.
- **\$500 million** to cover the past and future obligations under the flood control subvention payments to local governments for qualifying projects.
- **\$290 million** for the protection, creation, and enhancement of flood protection corridors and bypasses, including fund for floodplain mapping.
- **\$300 million** for grants (with local match) to manage storm water runoff to reduce flood damage and provide benefits such as ground water recharge, water quality improvement and ecosystem.

Proposition 84 - Water Quality, Safety and Supply. Flood Control. Natural Resource Protection. Park Improvements. Bonds. Initiative Statute

Proposition 84, a **\$5.4 billion** bond initiative, provides funding for all of the major natural resource protection and water programs at the state level. The bond includes funds for the following:

\$240 million for Safe Drinking Water

- **\$10 million** for Emergency Safe Drinking Water Projects
- **\$180 million** for Small Community Grants
- **\$50 million** for Safe Drinking Water Revolving Fund

\$1.28 billion for Integrated Water Management and Water Quality

- **\$80 million** for the Clean Water Revolving Fund
- **\$1 billion** for Integrated Regional Water Management Grants (DWR)
- **\$60 million** for Groundwater Cleanup Loans and Grants (DHS)
- **\$130 million** for Delta Water Quality Improvement
- **\$15 million** for Agricultural Pollution Reduction

\$800 million for Flood Control

- **\$30 million** for Floodplain Mapping
- **\$275 million** for Flood Control
- **\$275 million** for Delta Levees
- **\$180 million** for Subventions
- **\$40 million** for Flood Corridors

\$65 million for Statewide Water Planning and Design

- Surface Water Storage Planning and Feasibility (CalFed)
- Evaluation of Climate Change Impacts on Flood and Water Systems
- Flood Protection Improvement
- Other Studies Related to Integration of Flood and Water Systems

\$928 million for Protection of Rivers, Lakes and Streams

- **\$90 million** for Stormwater Cleanup (TMDLs)

- **\$180 million** for Environmental Conflicts Related to Water Projects
- **\$90 million** for Colorado River, QSA and Salton Sea
- **\$54 million** for Public Access to State Water Projects (State's obligation)
- **\$72 million** for River Parkways and \$18 million for Urban Streams
- **\$72 million** for the LA/San Gabriel Rivers
- **\$36 million** for the San Joaquin River
- **\$36 million** for Coachella/Desert Area
- **\$45 million** for the Santa Ana River
- **\$90 million** for Sierra Nevada Rivers and Lake Tahoe
- **\$45 million** for Restoration/Conservation projects (California Conservation Corps)
- **\$100 million** for San Joaquin River Restoration

\$450 million for Wildlife and Forest Conservation

- **\$180 million** for Forests
- **\$135 million** for Wildlife
- **\$90 million** for Natural Community Conservation Plans
- **\$45 million** for Working Landscapes
- **\$15 million** for Grazing Land
- **\$15 million** for Oak Woodlands
- **\$10 million** for Farmland Conservancy Program
- **\$5 million** for Wildlife Stewardship Grants

\$540 million for Beaches, Bays and Coastal Protection

- **\$90 million** for Clean Beaches (coastal stormwater/TMDLs)
- **\$225 million** for Bays
- **\$108 million** for the San Francisco Bay
- **\$45 million** for the Monterey Bay
- **\$45 million** for the Santa Monica Bay Watersheds
- **\$27 million** for the San Diego Bay
- **\$135 million** for the State Coastal Conservancy
- **\$90 million** for the Ocean Protection Trust Fund

\$500 million for Parks and Nature Education Centers

- **\$400 million** for State Parks
- **\$100 million** for Nature Education Centers, Museums and Aquariums

\$580 million for Sustainable Communities

- **\$90 million** for Urban Greening and Joint Use Projects
- **\$400 million** for Local and Regional Parks
- **\$90 million** for Planning and Incentives for Resource Conservation

The 2006 Legislative Year: Summary and Legislative Recognition

2006 was a year when many thought nothing would get done, but they were wrong. Following a 2005 legislative session dominated by partisan gridlock and a contentious special election, the political climate was negative. Conventional wisdom was that 2006 promised more of the same: the politics and positioning over the 2006 Governor's race would eclipse opportunities to make progress. However, as in his *Terminator* movies, the Governor dusted off the debris from 2005, and picked himself up again. Buoyed by rising state revenues to help close the budget gap, the Governor forged ahead with an ambitious infrastructure investment agenda and encouraged bi-partisan agreement on an array of issues. Legislative Democrats seized the opportunity to pass major legislation. This resulted in the 2006 Session being one of the most productive in recent memory; its accomplishments include:

- \$38 billion state infrastructure investment package (Propositions 1A through 1E)
- An on-time state budget with minimal partisan wrangling
- Limits on greenhouse gas emissions, AB 32
- State issued video franchising, AB 2987
- Aftermath of the *Kelo* decision on eminent domain: eight bills approved

As typical of California politics, other major policy decisions await decisions by the voters. A total of 13 ballot measures, with major policy impacts, are on the November ballot:

- Six infrastructure measures: Propositions 1A through 1E, and Proposition 84
- Restrictions on sex offenders: Proposition 83
- Notification and waiting period prior to termination of minor's pregnancy: Proposition 85
- Taxation on cigarettes, \$2.60 per pack, for hospital emergency services: Proposition 86
- Taxation of California oil for alternative energy research and programs: Proposition 87
- Taxation on real property for funding education programs: Proposition 88
- Political campaign public financing and corporate contribution limits: Proposition 89
- Limitation on government regulation of property and eminent domain: Proposition 90

League Makes Progress on Strategic Goals for Cities: The League Board of Directors outlined three strategic goals for the 2006 Legislative Session: (1) Expanding funding for state and local infrastructure; (2) Expanded housing supplies and affordability consistent with the League's smart- growth planning policies and protection of local control; (3) Protection of redevelopment funding and authority. With the combined efforts many city officials, the League's regional representatives, and lobbying team, cities made significant progress on their identified priorities.

- **Progress on Infrastructure:** The League aggressively supported and advocated for a state infrastructure investment package. Early in the year, the League Infrastructure Task Force made recommendations on an expedited basis to the League Board in response to the Governor's proposed *Strategic Growth Plan*. The League also joined a coalition of business groups to circulate an initiative to strengthen protections for Proposition 42 (dedicating sales tax on gas) for transportation funding. Through its network of regional representatives, strategic coalitions were built and news conferences were held in support for increased funding for infrastructure. These efforts created leverage that resulted in the Legislature placing Proposition 1A on the ballot as part of the infrastructure bond package. League lobbyists also worked with key legislators to shape the fine points of the transportation bond, Proposition 1B, including successfully advocating for an additional \$1 billion allocated directly to cities. The League also emerged as a leader in the discussions on legislation related to development in flood plains. Our policy committees and a special task force shaped a set of principles that influenced the legislative discussions, including support for better local planning and successful opposition to an attempt to shift the state's legal liability for failed levees to local governments.
- **Progress on Housing:** Housing was originally not part of the Governor's proposed *Strategic Growth Plan*, and many legislators did not believe it should be included. Despite those obstacles, however, the League, working with housing advocates, lobbied strenuously for the inclusion of a housing bond in the final package. These efforts bore fruit: a housing bond was included in the package, as Proposition 1C. This \$2.85 billion measure is the largest housing bond in state history, and includes over \$1.3 billion that will be allocated to local governments assist with infrastructure issues associated with infill housing and transit oriented development. On other policy matters, the League was proactive and introduced a package of bills, shaped by the League's Housing Task Force, aimed at providing funding for local governments approving housing, protecting communities that already have high-density zoning from being penalized under Density Bonus Law, improving coordination between councils of governments and local agency formation commissions, providing more flexibility for communities to exchange regional housing quotas, and returning more local authority over group homes. Traditional defense was played as well. Through a combination of local pressure by city officials on key legislators coordinated by the League's regional representatives, and lobbying activities in Sacramento, the League was successful in defeating every major bill that would have undercut local land use authority over housing.
- **Progress on Protecting Redevelopment:** In the aftermath of the *Kelo* decision, redevelopment agencies and eminent domain authority were under attack. Even though in *Kelo* the U.S. Supreme Court had actually cited California's redevelopment laws as an example of regulation of the use of eminent domain, it did little to quell the stampede of legislative proposals. Some legislators

introduced aggressive constitutional amendments to restrict activities necessary for effective redevelopment; others saw opportunities to push agendas such as increasing the housing set aside to from twenty to fifty percent. The League, working closely with the California Redevelopment Association, educated legislators and community groups about the negative impacts of these proposals. The League's regional representatives built coalitions at the local level and informed the local press about the many positive impacts of local redevelopment efforts. These combined efforts kept the Legislature from taking rash and emotional actions. Ultimately, what was signed into law was an eight-bill package of legislation making mostly prudent changes to laws affecting redevelopment and the use of eminent domain. As for other activities, the League has been an unquestioned leader in the battle to oppose Proposition 90 on the November Ballot.

State Budget: Another Bright Spot For Cities: In recent years, news for cities involving the state budget was usually negative, but in 2006, the post Proposition 1A (of 2004) trend of budget improvement for cities continued. Highlights include:

- End of two-year property tax transfers stemming from the Proposition 1A agreement. For cities, this means that they no longer had to transfer \$350 million from cities, and \$250 from redevelopment agencies to offset state budget expenses.
- Full funding for Proposition 42 for 2006-07, at \$1.42 billion. The budget also included an additional \$1.41 billion repayment for funds borrowed in fiscal years 2003-04 and 2004-05.
- \$232 million in funding for state mandate claims and reimbursements, plus an additional \$170 million in payments to cover two-years of a fifteen year repayment plan for previous mandate claims owed to local government.
- \$35 million to cities to reimburse booking fees paid by cities to counties. This is part of a larger accord between counties, cities, sheriffs and police chiefs on this issue.
- \$238 million in COPS/Juvenile Justice Grants.

AB 2987, Cable Video Franchising: The 2006 Session did not bring all good news. Local governments were not successful in a battle that most Sacramento political prognosticators had predicted they would lose. The "telecommunications reform" movement, led by industry promises of lower prices that would result from expanded consumer choice, sparked legislation in many states and in Congress to remove the perceived local barriers to access these markets. In California, the telecommunications industry hired many of the top lobbying firms, secured the authorship of the Assembly Speaker and the key policy committee chairs, built an impressive coalition of business and consumer groups, lured existing cable providers with an abrogation clause, and spent nearly \$20 million in advertising and lobbying efforts to secure passage of AB 2987. This new law requires future video franchises to be issued by the

California Public Utilities Commission instead of local governments. Despite these odds, the League led an impressive effort to educate city officials about this complex issue and adopted policies. A cornerstone of our policy advocated for a hybrid approach: where local officials could issue franchises based upon a standardized timeframe and format, but with sufficient flexibility to address significant local issues. While this hybrid was not adopted, local governments were successful in other policy areas securing improved language to protect local franchise fees and public rights-of-way, ensuring environmental review and mitigation through the California Environmental Quality Act (CEQA), and retaining existing Public/Educational/Government (PEG) channels. The League also lobbied hard for improved build-out requirements to make sure corporations did not “cherry-pick” the affluent neighborhoods. While the final build-out language contains weak spots, it is viewed by other states and in Congress as far surpassing anything the industry has previously agreed to. Many technical implementation issues remain unresolved, and this will no doubt be a continued area of legislative clean-up as the state takes on the job of issuing video franchises.

TELECOMMUNICATIONS ISSUES

1. AB 2987 (Nunez/Levine). Video: Competition

Chapter 700, Statute 2006

This measure enacts the Digital Infrastructure and Video Competition Act of 2006 and establishes a procedure for the issuance of state franchises for the provision of video service that will be administered by the California Public Utilities Commission (CPUC).

When does the law take effect?

The law takes effect on January 1, 2007. The California Public Utilities Commission (PUC) is required to commence accepting applications for a state-issued video franchise by April 1, 2007.

What are the effects/impacts to local government?

- Local government will no longer issue cable franchises
- Local government will continue to have time, place, and manner control over the public-rights-of way (PROW).
- Local government is required to approve or disapprove encroachment permits for construction of video systems in 60 days.
- Local government will be the lead agency for CEQA review implementation.
- Local government will remain responsible for enforcing customer service standards.

What are the effects to local government cable franchise/contracts?

- As of January 1, 2008 ALL video service providers MUST seek a state issue video franchise as opposed to a locally issued video franchise.
- If no new entrant decides NOT to provide video service to your city, then the terms of your current agreement stay intact and there is no change.
- If you have an existing franchise agreement and a new entrant would also like to begin providing video service to your city, please see bullet #3 under the next sub-head: *The new state issued franchising system*

The new State issued franchising system/requirements/conditions

- The PUC must approve a state video franchise within 44 days after receiving a completed application.
- A state issued video franchise is valid for a 10 year period.
- An incumbent cable operator may seek a state franchise to serve an area where it has a local franchise prior to the termination of the existing local franchise if a different company that holds a state franchise provides notice that it will be offering video service in the same area.
- If the incumbent cable operator does opt-in to the state franchise, it must continue to provide video service to all areas it is required to serve under the local franchise until the date that franchise would have expired.

- The holder of a state video franchise must pay franchise fees to each local entity they are providing service to based on gross revenue. This franchise fee payment is compensation for the use of the public-right-of-way (PROW). The fee is paid directly to the local entity.
- The fee may not exceed 5% of gross revenues. Or, the holder shall pay the percentage that the incumbents pays revenue whichever is less.
- If there is no local franchise or after all local franchises have expired, the franchise fee will be 5% of gross revenue or a lower level set by the local government by ordinance .
- A state video franchise awarded to an incumbent cable company cannot go into effect prior to January 2, 2008, even if the company meets one of the three conditions for seeking the state video franchise prior to that date.

What about Public Education Government Channels (PEG)?

- The measure requires all incumbent cable operators to continue to offer the same level of PEG support and I-net support as they do under their franchise agreements today through January 1, 2009, or until their franchise expires, or would have expired had it not been terminated abrogated, whichever is later.
- The measure also requires all holders of state franchises to contribute a pro rata share of the ongoing cash obligations of the incumbent cable operator for PEG and I-net support.
- Once the original franchise expires, local government can require all providers to pay a fee up to 1% of gross revenue to support PEG.
- The maximum that local government can require a provider to pay is 3%. If the current percentage is 1%, the local entity can increase to 3%. If the 3% is currently in place, there can be no increase beyond that amount.

ENVIROMENTAL ISSUES

2. AB 32 (Nunez). Greenhouse Gas Emissions Chapter 488, Statutes of 2006

This law enacts the Global Warming Act of 2006 (Act), which creates a statewide greenhouse gas (GHG) emission limit that would reduce emissions by 25% by 2020. It requires, on or before January 1, 2008, the state Air Resources Board (ARB) to adopt regulations requiring GHG emission sources to monitor and report their emissions to the ARB, and specifies detailed criteria for the adoption and compliance with those regulations. It also requires, on or before January 1, 2008, the ARB to adopt a statewide emissions limit on GHG emissions, specifies both a process and criteria for the adoption of the limit, and provides that the limit shall remain in effect after 2020 until otherwise amended or repealed. The ARB is also required to adopt the maximum feasible and cost-effective reductions in GHG emissions for sources and categories of sources subject to the ACT.

3. SB 1368 (Perata). Electricity Generation. Greenhouse Emissions Chapter 598, Statutes of 2006

This law requires the State Energy Conservation and Development Commission to set emission standards for those entities providing electricity in the state. The law prohibits any investor owned and municipal electricity provider from entering long-term contracts which do not meet the State Energy Conservation and Development Commission's greenhouse emission standard.

4. SB 1 Murray). Solar Energy Chapter 132, Statutes of 2006

This law makes changes to the California Solar Initiative (CSI), which is implemented by the California Public Utilities Commission (CPUC). It establishes goals of installing 3000 MW of solar generation capacity, establishing a self-sufficient solar industry, and placing Photo Voltaic (PV) systems on 50 percent of new homes in 13 years.

The law requires the CPUC in implementing the CSI to, among other provisions, adopt a subsidy that declines not less than an average of seven percent per year, reaching zero as of December 31, 2016 and to adopt performance-based subsidies (e.g. subsidies that pay based on the amount of electricity produced) by January 1, 2008 for all large PV systems and for half of all medium-sized systems. Performance-based subsidies are encouraged, but not required, for smaller systems.

This law authorizes the CPUC to award \$101 million in subsidies for solar thermal systems. It requires municipal utilities by January 1, 2008 to establish solar energy programs in support of the 3000 MW goal. It prohibits the CPUC from imposing the cost of the CSI on low income customers and bars the CPUC from imposing a surcharge on natural gas to pay for the CSI.

This law requires the CEC to commence a proceeding by July 1, 2006, and conclude that proceeding within three years, to consider if and when solar energy systems should be required on new buildings. It also requires sellers of production homes to offer PV systems on new homes for which tentative subdivision maps are completed on or after January 1, 2011.

5. AB 2951 (Goldberg). Capital Utilities Fees
Chapter 866, Statutes of 2006

This law revises how municipal utilities (i.e., water, wastewater, electricity and natural gas municipal utilities) recover their capital costs from other public entities and requires that basic service rates be computed on a common methodology. The law requires the public utility to levy rates or charges on all public users that are based on the same objective criteria and methodology applicable to non-public users. The charges that the utility may charge the state and educational entities include a capital facilities fee. The statute includes a number of procedural steps and other requirements that must be met by the public agency charging the fee. These include the following:

Public Notice. When a public agency that provides public utility service holds a public meeting to establish or increase rates, charges, surcharges, or fees, this law requires the agency to give public notice at least 60 days before the meeting to any agency that asked for notice. At the request of a public agency at least 30 days before this public meeting, the law requires the providing agency to provide the affected agency with the data and proposed methodology for establishing or increasing the rate, charge, surcharge, or fee. The data and proposed methodology can be provided at a meeting of the agencies' staff or other representatives.

Statute of Limitations. Current law declares that a capital facilities fee is imposed on the date that the bill goes out, but does not specify a statute of limitations for lawsuits over contested capital facilities fees. The new law enacted by AB 2951 repeals the current declaration that a capital facilities fee is imposed on the date that the bill goes to the public agency consumer. Instead, the new law sets a 120-day deadline for filing a suit by a public agency seeking a refund of a fee, rate, charge, or surcharge, or any increase in these costs, or challenging the validity of these charges on or after January 1, 2007. This deadline begins on the effective date of a charge. These provisions sunset on January 1, 2010.

Validating suits. This law prohibits a public agency that imposes or increases a public utility fee, rate, charge, or surcharge from filing a validation suit any earlier than 20 days after the effective date of the fee's imposition or increase. This provision sunsets on January 1, 2010.

Burden of proof. This law declares that the public agency that imposes or increases a fee, rate, charge, or surcharge has the burden of showing that the charge was established pursuant to the statutory procedures. This provision sunsets on January 1, 2010.

Effect on litigation. This statute declares that these changes are not intended to affect litigation involving public utility services provided before January 1, 2007, brought before or after that date. The statute states that nothing in the legislative history should be construed as any indication of the law's meaning before the bill's amendments and additions.

Cost of service study. The municipal utility must conduct a cost of service study at least every ten years.

Definitions. The statute includes separate definitions for "capacity charge", "capital facilities fee", "nondiscriminatory", "connection fee", "public agency", and "public utility service" for the purposes of the law.

6. AB 2449 (Levine). Plastic Bags. Recycling
Chapter 845, Statutes of 2006

Beginning July 1, 2008, this law requires supermarkets and stores with over 10,000 feet of retail space and a pharmacy to implement an on-site plastic bag take back and recycling program. Specifically, it does all of the following.

- 1) Requires a store with over 10,000 feet of retail space and a pharmacy to establish an in-store recycling program that provides an opportunity for a customer to return a plastic bag to the store for recycling and provides for transport and recycling of the bags.
- 2) Establishes requirements for the program, which include the following:
 - a) A plastic bag provided by the store shall have "please return to a participating store for recycling" printed on the bag;
 - b) A collection bin for plastic bags shall be placed in each store that is visible and easily accessible for consumers;
 - c) All plastic bags collected by the store shall be collected, transported, and recycled in a manner that does not conflict with the local jurisdiction's source reduction and recycling element;
 - d) The store shall maintain records describing the collection, transport, and recycling of the bags collected for a minimum of three years and shall make the records available to the California Integrated Waste

Management Board (CIWMB) or local jurisdiction upon request to demonstrate compliance; and

- e) The store shall make reusable bags available for purchase by consumers.

This law establishes penalties for violations of its requirements and provides that the requirements of the recycling program, including that the bags be collected, transported, and recycled in a manner that does not conflict with the local jurisdiction's source reduction and recycling element. It also includes a limited preemption of local ordinances and provides that a city, county, or other public agency shall not adopt, implement, or enforce an ordinance, resolution, or rule for any store that is in compliance with this measure that requires the store to collect, transport, or recycle plastic bags, impose an in-store fee on plastic bags, or require additional auditing or reporting requirements.

However, it does not prohibit the adoption, implementation, or enforcement of any local ordinance, resolution, regulation, or rule governing curbside or drop off recycling programs nor does it prohibit a jurisdiction from adopting and enforcing a ban of plastic bags, or from enacting and enforcing a local ordinance that covers all other retail stores in the community (i.e., smaller than the 10,000 square foot criteria applied in this law).

The law also establishes record keeping requirements for purposes of enforcement and authorizes a city, county, or the state to impose civil liability in the amount of \$500 for the first violation, \$1,000 for a second violation, and \$2,000 for a third and subsequent violations. The law sunsets on January 1, 2013.

7. AB 1881 (Laird). Water Conservation **Chapter 559, Statutes of 2006**

The Water Conservation in Landscaping Act requires the Department of Water Resources to appoint an advisory task force to work with the department to draft a model local water efficient landscape ordinance that local agencies may adopt. The act makes the model local water efficient landscape ordinance adopted by the department applicable within the jurisdiction of a local agency if that local agency, by January 1, 1993, has not adopted a water efficient landscape ordinance or has not adopted certain findings that the adoption of the ordinance is unnecessary.

This law exempts charter cities from the provision making the model ordinance applicable to a local agency on and after January 1, 1993. It requires the department, to the extent funds are appropriated, not later than January 1, 2009, by regulation, to update the model ordinance in accordance with specified requirements. The law requires a local agency, not later than January 1, 2010, to adopt the updated model ordinance or other water efficient landscape ordinance

that is at least as effective in conserving water as the updated model ordinance. The law makes the updated model ordinance applicable within the jurisdiction of a local agency, including a chartered city, if, by January 1, 2010, the local agency has not adopted its own water efficient landscape ordinance or the updated model ordinance. The law requires each local agency, not later than January 31, 2010, to notify the department as to whether the local agency is subject to the department's updated model ordinance and, if not, to submit to the department a copy of the water efficient landscape ordinance adopted by the local agency, among other documents.

The law also requires the Energy Commission, in consultation with the department, to adopt, to the extent funds are available, by regulation performance standards and labeling requirements for landscape irrigation equipment, including irrigation controllers, moisture sensors, emission devices, and valves to reduce the wasteful, uneconomic, inefficient, or unnecessary consumption of energy or water.

The law also requires a water purveyor, to require as a condition of new retail water service on and after January 1, 2008, the installation of separate water meters to measure the volume of water used exclusively for landscape purposes.

This law also would provide that the architectural guidelines of a common interest development shall not prohibit or include conditions that have the effect of prohibiting the use of low water-using plants as a group.

PUBLIC SAFETY ISSUES

8. SB 148 (Scott). Alcoholic Beverages. Licenses

Chapter 625, Statutes of 2006

This measure establishes additional reasons under which the Department of Alcohol and Beverage Control (ABC) could revoke or suspend a liquor license. Under this measure, if a licensee fails to correct objectionable conditions to the building's premises or adjacent public sidewalks, as cited by a district attorney, city attorney, or county counsel, it provides a basis for suspension or revocation of a liquor license. This law also imposes a continuing obligation on the licensee to maintain the corrected objectionable condition. Current law states that an "objectionable condition" may include disturbance of the peace, public drunkenness, gambling, harassment of passersby, loitering, public urination, drug trafficking, and excessive loud noise.

9. AB 2135 (Vargas). Emergency Services. Liability

Chapter 226, Statutes of 2006

This measure holds a person 18 years or older, who is convicted of making a false police report, liable for the expense of an emergency response resulting from the false report.

EMPLOYEE RELATIONS

10. AB 1368 (Karnette). Worker's Compensation. Apportionment. Presumptions

Chapter 836, Statutes 2006

This law repeals some of the Worker's Compensation reforms enacted 2004. This law exempts public safety employees' presumptive injury claims from the apportionment determination. The practical effect of the law is to award a public safety employee a 100% permanent disability rating even though the true medical facts as determined by the employee's doctor are the factors unrelated to work caused a significant portion of the permanent disability. It is the League's belief that this law imposes a reimbursable state mandate obligation.

MISCELLANEOUS ISSUES

11. SB 1578 (Lowenthal). Dogs. Tethering Prohibition Chapter 489, Statutes of 2006

This law, with specified exceptions, prohibits a person from tethering, fastening, chaining, tying, or restraining a dog to a dog house, tree, fence, or other stationary object.

12. SB 1806 (Figueroa). Animals. Abuse Chapter 431, Statutes of 2006

This law makes it a crime to leave or confine an animal in any unattended motor vehicle under conditions that endanger the health or well-being of an animal due to heat, cold, lack of adequate ventilation, or lack of food or water, or other circumstances that could reasonably be expected to cause suffering, disability, or death to the animal.

13. AB 2210 (Goldberg). Tow Trucks: Regulating Chapter 609, Statutes of 2006

This measure enhances protections provided to motorists from unfair vehicle towing practices and unauthorized vehicle towing from private property. Specifically, this measure:

- Reiterates that the regulation of tow truck service companies and operators can be enacted and enforced by local authorities.
- Places provisions on property owners or lessees of a location where a vehicle is to be towed to disclose contact information of each towing company that has a written general towing authorization with the individual.

- Places procedural and administrative provisions on tow truck companies and operators in the removal and operation of towing vehicles from private properties. Requires storage facilities that hold towed vehicles to display information relating to the payment of a retrieved towed vehicle.
- Requires that a local law enforcement agency must be notified after the vehicle is towed and in transit.



**CITY OF LODI
COUNCIL COMMUNICATION**

AGENDA TITLE: Presentation: On the San Joaquin Regional Rail Commission (SJRRRC) Service Expansion Analysis given by Brian Schmidt, SJRRRC Project Manager.

MEETING DATE: 11/21/06

PREPARED BY: Randy Hatch, Community Development Director

RECOMMENDED ACTION: Brian Schmidt, SJRRRC Project Manager will be giving a presentation on the San Joaquin Regional Rail Commission (SJRRRC) Service Expansion Analysis.

BACKGROUND INFORMATION: The SJRRRC is preparing a rail service study to explore commuter rail service between Sacramento to Merced. Attached is a portion of the Request for Proposals (RFP) for this project. According to the study schedule, a consultant has been selected and work begun. This presentation will provide information on the current project status and ways to comment on the study to insure that the Union Pacific rail line (which goes through downtown Lodi) is the route selected.

A handwritten signature in black ink, appearing to read "Randy Hatch", written over a horizontal line.

Randy Hatch
Community Development Director

RH/kjc

APPROVED:

A handwritten signature in black ink, appearing to read "Blair King", written over a horizontal line.

Blair King, City Manager



SAN JOAQUIN
REGIONAL
RAIL COMMISSION

July 11, 2006

*Dedicated to
passengers*

*Responsive
to change*

*Committed
to growth*

SAN JOAQUIN REGIONAL RAIL COMMISSION

**REQUEST FOR PROPOSALS (RFP)
FOR THE
SJRRC SERVICE EXPANSION ANALYSIS**

Dear Consultant:

The San Joaquin Regional Rail Commission ("SJRRC") invites your firm to submit a complete proposal for the SJRRC Service Expansion Analysis.

Purpose of the RFP

Commissioners

Jack A. Sieglock
San Joaquin County
Board of Supervisors

Gary S. Giovanetti
City of Stockton

John Harris
City of Manteca

Brent H. Ives
City of Tracy

Michael Resiuccia
City of Ripon

Gloryanna Rhodes
City of Lathrop

Executive Director

Stacey Mortensen

Purpose of the Request for Proposals

Later this year, ACE will add a fourth daily round trip between Stockton and San Jose. Running in a midday slot, this train will enable ACE to provide off-peak service. This will be the first time ACE has provided any rail service to its passengers outside of the peak hours and it will be the first increase in ACE service in over live years. This service increase is expected to usher in a dynamic period of change and improvement.

As ACE approaches the end of its first decade of providing commuter rail service, the SJRRC is looking to develop a series of Well-founded, realistic, action plans to guide growth and expansion of the ACE service over the next 10 years. To assist in the process, SJRRC is seeking the services of qualified consultants to assist the Commission in formulating these plans, including:

1. A thorough analysis of the rail corridor over which ACE service is currently operated to determine how existing ACE service can be improved and increased, including the feasibility of a direct connection to BART in Pleasanton, CA.

(The subject of a previous RFP, the contract for which was awarded on June 23rd, 2006.)

2. An examination of the prospects and possibilities for expanding SJRRC sponsored services including new services in the Central San Joaquin Valley, to Sacramento, within San Joaquin County and Pittsburg/Oakland from Stockton and/or Tracy.

(The subject of the this RFP)

3. An analysis of passenger rail services and public transportation services of all modes to pinpoint innovative approaches, practices, methodologies and technological applications that can improve ACE service and the manner in which it is provided.

(The subject of the third RFP in this series, which will be issued subsequent to the completion of the first and second studies.)

This letter, together with its enclosures, comprises the Request for Proposal (“RFP”) for this project. Responses to the RFP should be submitted according to the instructions outlined herein.

Proposal Due Date

Proposers must submit a bound original and ten (10) copies of their Proposal to the offices of the San Joaquin Regional Rail Commission (SJRRC) no later than 3:00 P.M. Pacific Time on Friday, August 18, 2006. Proposals must be sealed and clearly marked “Technical Proposal – SJRRC Service Expansion Analysis” on the envelope. Proposers must submit their Cost Proposal in a separate envelope clearly marked “Cost Proposal – SJRRC Service Expansion Analysis.” Proposals received after the date and time will not be considered. Proposals will be considered firm offers to enter into a contract and perform the work described in this RFP for a period of 90 days from their submission.

SJRRC Point of Contact

SJRRC Point of Contact for all questions and clarifications relating to this RFP shall be:

Mr. Brian Schmidt, SJRRC Project Manager
949 East Channel Street
Stockton CA, 95202
FAX (209) 944-6238
E-Mail: brian@acerail.com

Schedule of Procurement Activities

In addition to the above-stated Proposal due date of August 18, 2006, the remainder of the schedule for this procurement is as follows:

<u>Event</u>	<u>Date</u>
RFP available at ACE Website	July 11, 2006
Pre-Proposal Conference	July 20, 2006
Deadline for written RFP Clarifications/Questions	July 21, 2006 (5:00 P.M. Pacific Time)
Proposal Due Date	August 18, 2006 (3:00 P.M. Pacific Time)
Top Three (3) Ranked Proposers Notified	August 22, 2006
Oral Presentations/Interviews	August 30, 2006
Successful Proposer Notified	August 31, 2006
SJRRC Board Approval	September 7, 2006
Notice to Proceed (NTP)	September 7, 2006
Kick-Off Meeting	September 15, 2006
First Interim Progress Report Due for SJRRC November Board Package	October 24, 2006
Second Interim Progress Report Due for SJRRC December Board Package	November 28, 2006
Draft Final Report Due	January 16, 2007
SJRRC Comments on Draft Final Report	January 30, 2007
Final Report Due	February 13, 2007
Final Report Presented to SJRRC Board	March 1, 2007

SJRRC Service Expansion Analysis

November 20thth, 2006



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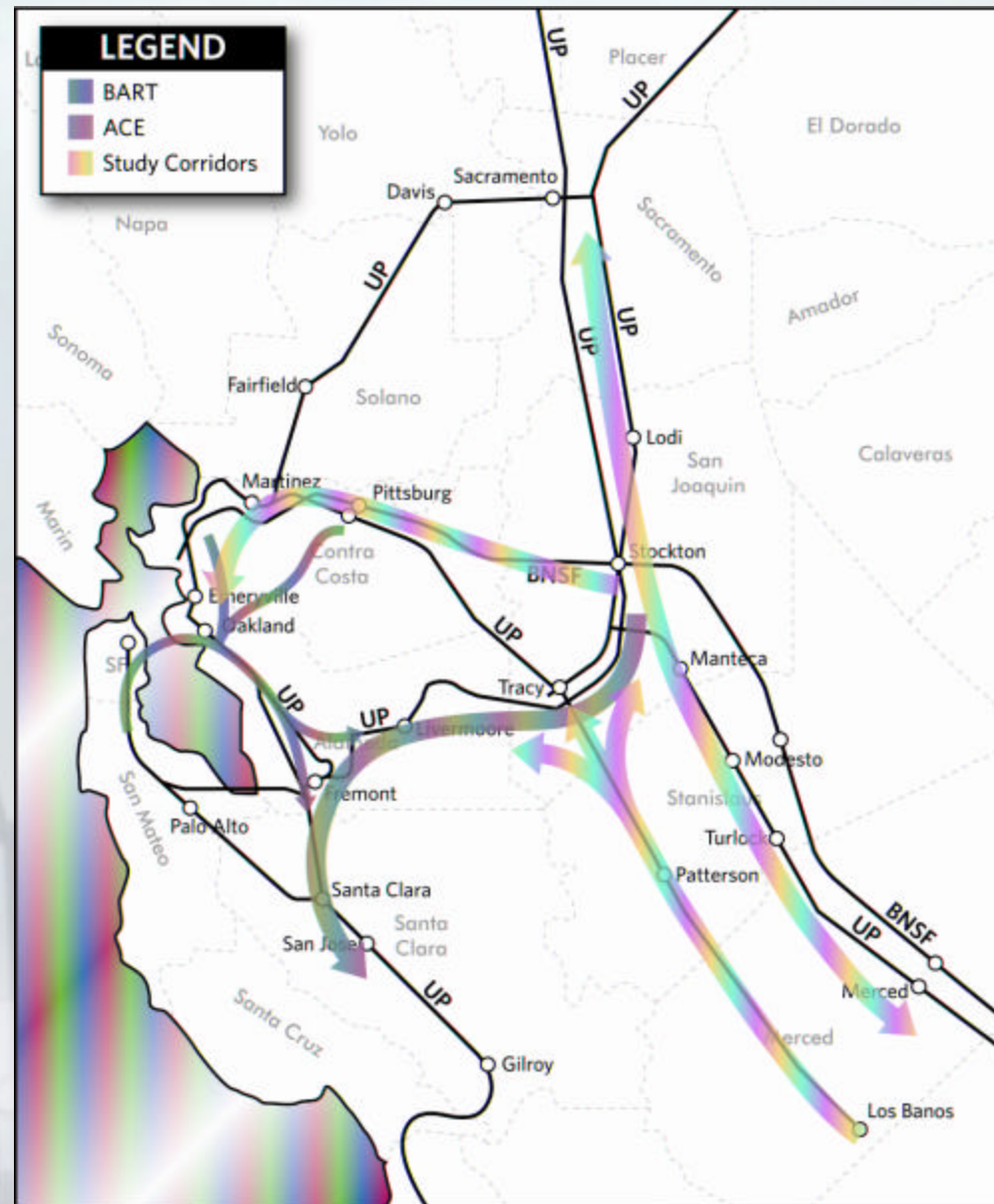
Study Objective/Tasks

- **Develop Action Plans for Expansion of Commuter Rail Services in San Joaquin and Adjacent Counties**
- **Study Tasks**
 - Corridor Ranking Criteria
 - Access to Rail Lines
 - Service Levels
 - Upgrading and capacity Analysis
 - Capital & Operating Costs
 - Ridership Analysis
 - Station Locations
 - Freight/Passenger Train Compatibility



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Study Corridors



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Potential Ranking Criteria

- **Ridership Potential**
- **Institutional issues**
- **Mobility improvements**
- **Cost Benefit Analysis**
 - **Capital Costs**
 - **Operating Costs**
 - **Farebox Recovery**



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Access to Rail Lines

- **Review numerous operating agreements to establish “best practice” elements**
 - Metrolink, Sounder, Coaster, Caltrain, etc.
- **Develop an access strategy for expansion on lines under study**

Service Levels for Each Corridor

- **Minimum (ideal)**
 - 3 peak period round trips
 - 1 mid-day round trip
- **Illustrative schedules being discussed**
- **Ridership potential to determine minimums**

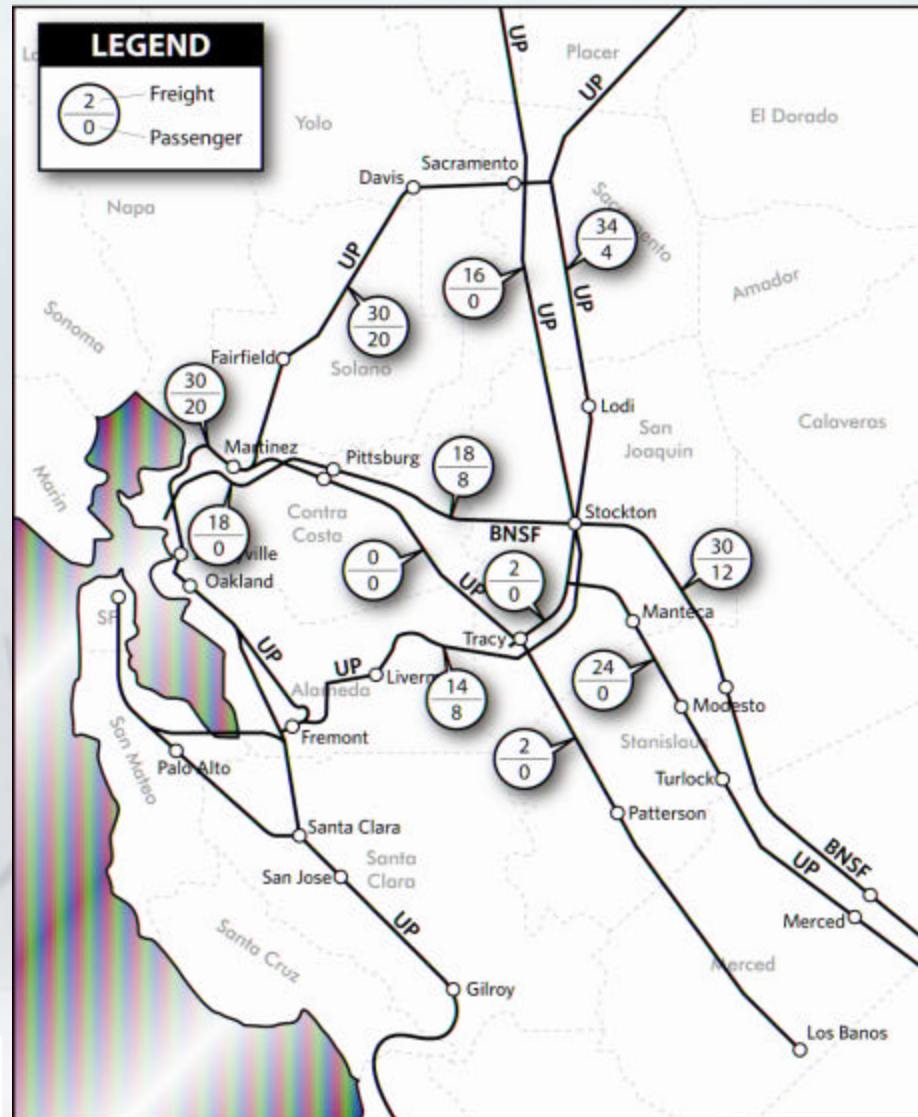
Upgrading and Capacity Analysis

- **Contacted BNSF, UP and California Northern for train volume information and insight on capacity hot spots**
 - UP response pending
- **Identify likely future volumes for railroads**



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Train Volumes in Study Area



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Station Locations

- **Identified station stops for each line**
 - Merced to Sacramento
 - Stockton to Oakland
 - Los Banos to Tracy
 - Stockton to San Jose (ACE Corridor)
- **Visiting locations to identify specific sites**

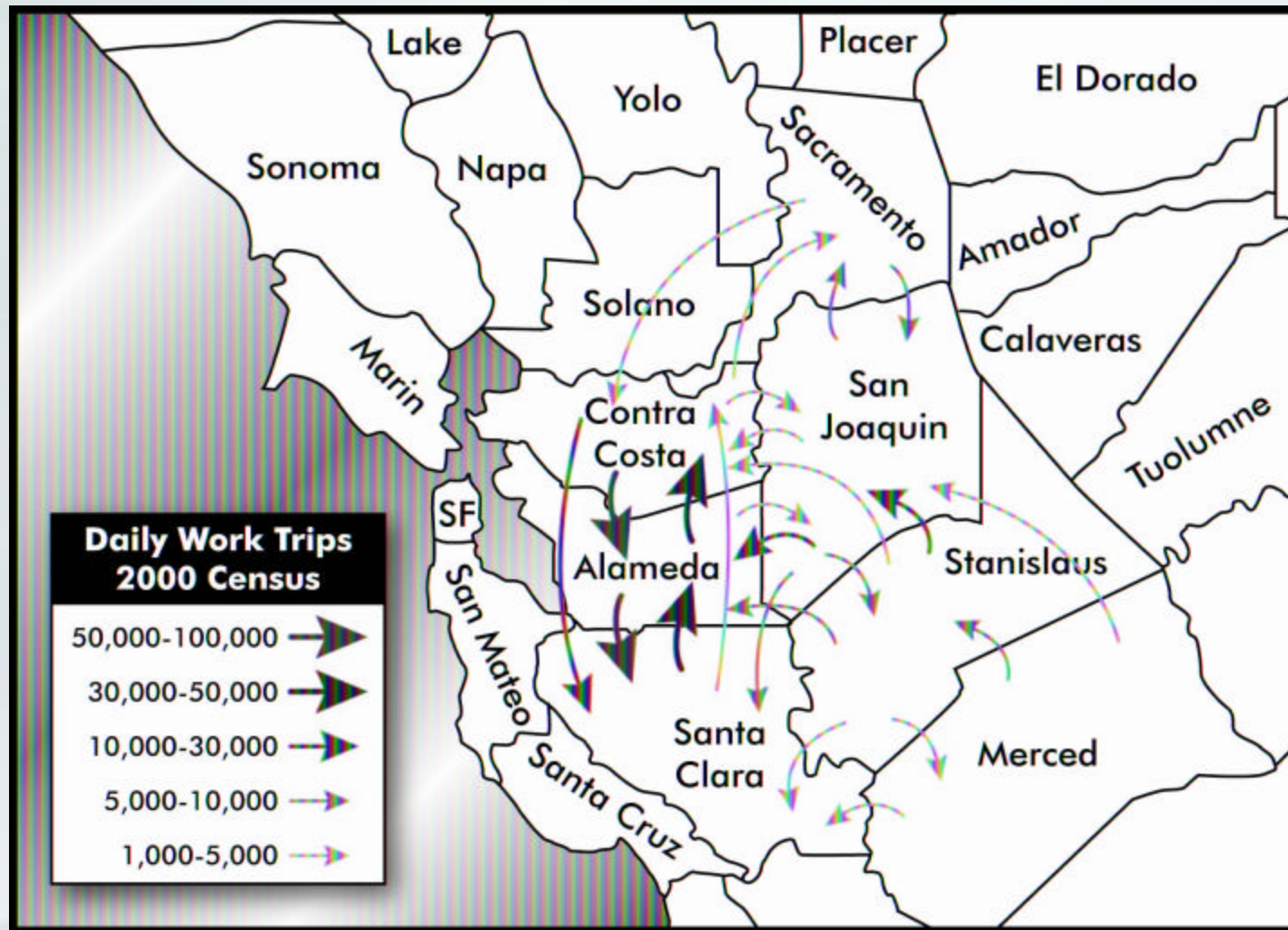


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Ridership Analysis

- **Obtaining work trip data from COGs**
- **Validate with employers, Caltrans**
- **Obtaining highway improvement plans**
- **Apply mode split insight gained from review of ACE, Caltrain, and Metrolink experiences**
- **Adjust for future congestion on highway systems**

Work Trips in Study Area



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Capital and Operating Costs

- **To be performed following establishment of service levels and refinement of routes**
- **Utilize current ACE cost experience as a guideline**



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Project Schedule

- **September 2006 – Contract Approval**
- **Sept-Dec. – Initial O&D analysis**
- **December 2006 - Creation of an Advisory committee of elected officials to provide direction of the study effort (4-6 meetings) over the next nine months).**
- **September 2007 – Final Report to SJRRC Board.**



SAN JOAQUIN
REGIONAL
RAIL COMMISSION